

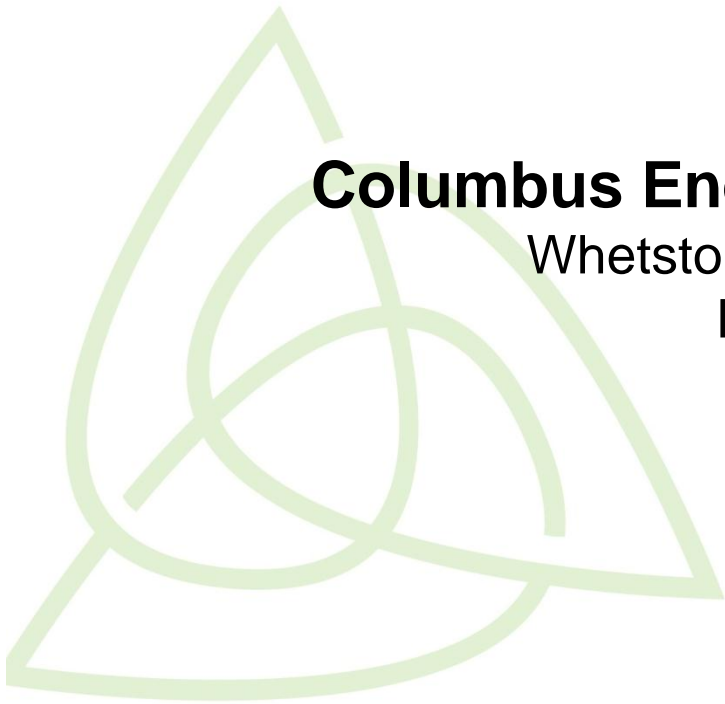
# Renewable Energy & Energy Efficiency Opportunities Within Municipal Aggregation



## **Columbus Energy Review Committee**

Whetstone Recreation Center

May 30, 2014



Ohio Environmental Council

# Ohio Environmental Council



The OEC is...

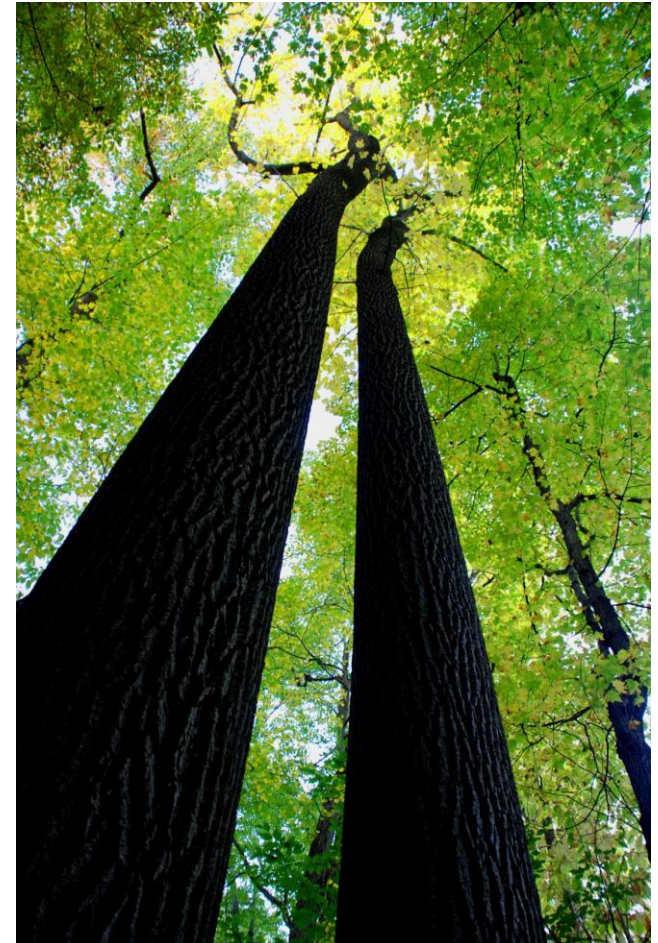
- the Ohio's most comprehensive, effective, and respected environmental advocate for a healthier, more sustainable Ohio
- Non-partisan, 501(c)3 not-for-profit advocacy organization
- Focus: State-level energy & environmental policy
- Facilitator of Ohio Coalition for Combined Heat and Power

*Our Mission:* To secure healthy air, land, and water for all who call Ohio home

# Presentation Agenda



1. Why renewable energy and energy efficiency make sense
2. Environmental and economic benefits
3. Options and possible models
4. Consumer perspectives on clean energy

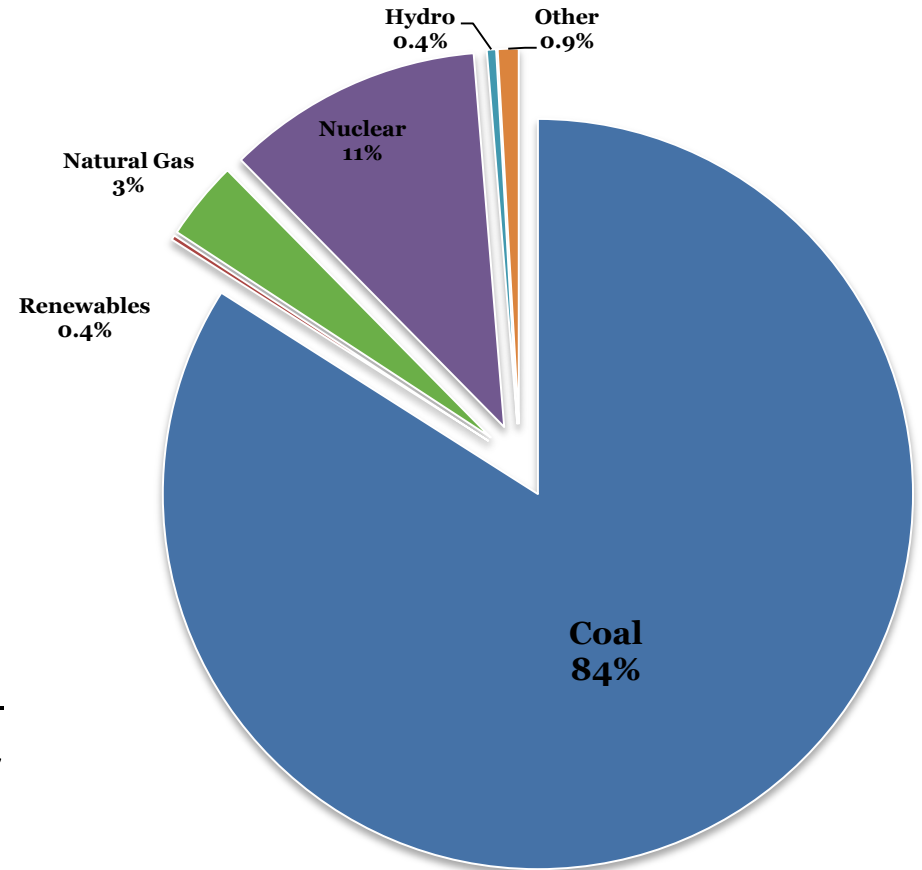


# Why Include Efficiency & Renewables?

Ohio's heavy reliance on fossil fuels has helped the state earn the #4 spot for carbon dioxide emissions nationally

Toxic air pollution harms human health – over 120,000 Central Ohioans with asthma

Over-reliance on one or two resources is risky for consumers – not only to their health, but to their pocketbooks as well



*Ohio's Current Electricity Portfolio*

# Clean Energy is Cost-Effective Energy



- Renewable resources are price stable
  - No fuel costs
  - Recent years have demonstrated a drop in price for wind and solar
- Energy efficiency is consistently inexpensive
  - reducing energy waste costs 2 -3 cents/kwh
  - generating electricity, no matter the resource, costs between 5 – 9 cents/kwh
- Coupling renewables and energy efficiency in an aggregation plan can yield even more savings for aggregation customers

# Economic Advantages of Efficiency & Renewables in an Aggregation Plan



If Aggregation Plan is structured right, it can yield tremendous **LOCAL** economic opportunities:

## Job creation

- Jobs cannot be exported
- Jobs represent wide spectrum of skills – laborers to engineers
- Every \$1M invested in energy efficiency = 21 jobs
- Ohio already home to 25,000 Ohioans working in clean energy industry & 400 companies in the sector

## Consumer benefits

- For every \$1 invested in energy efficiency, customers save \$3
- Improves power reliability and reduces energy costs for customers that deploy on-site renewable power
- Improves local building stock – important to commercial sector

# Possible Models for Including Renewables & Efficiency in an Aggregation Plan



## Important Elements to Consider when Crafting the Plan:

1. The City is in the driver's seat
  - There is tremendous flexibility in how renewables and efficiency can be incorporated into the RFP
2. The City's aggregation contract will hold tremendous market power
  - If aggregation is approved by voters, Columbus will be one of the largest aggregation contracts in the country (in the top 5)

## Other cities' examples:

- Chicago, Cleveland & Cincinnati - incorporated substantial amounts of renewable energy AND lowered prices for customers
- Southeast Ohio Public Energy Council (Athens County) – aggressive 3 year plan that prefers local renewable supply and creates new efficiency programs
- Northeast Ohio Public Energy Council (NOPEC) administers energy efficiency program for their member communities

# Ideal Models for Including Renewables & Efficiency in an Aggregation Plan



## Renewable Energy Goal with Local Project Element:

- Overall goal for renewable/clean/carbon-free supply (can be as high as 100%) that is met with procurement of Renewable Energy Credits (RECs)
- Local Renewable Energy Preference could
  - stipulate a % of overall goal come from local renewable projects (within region or state)
  - Local renewable fund could help support/finance local projects

## Energy Efficiency Opportunities:

- Energy efficiency resources can be part of the supply contract – values “negawatts” equally with “megawatts”
- Supplier could dedicate funds for new efficiency programs
- Contract could require supplier to bolster existing efficiency programs offered (MORPC & AEP)
- City could create new efficiency program models, like on-bill repayment programs



# Voter Attitudes About Renewables & Efficiency



## Consistently & Overwhelmingly Positive:

- Majority of Ohioans support developing more wind and solar power: by 87% & 86%, respectively
- Voters of all political affiliations favor clean energy over resources that require drilling or digging: 89% of Democrats, 58% of Republicans & 66% of Independents
- Voters believe investments in renewables and efficiency will good for jobs: 64% of Columbus voters believe jobs will be created, 24% believe it will have no effect of jobs and only 3% believe it'll cost jobs
- Including renewables and efficiency in the aggregation plan will be big selling point for the ballot measure

# More Information



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